

2019 Current Fiscal Year Report: FDIC Systemic Resolution Advisory Committee

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1. Department or Agency		2. Fiscal Year	
Federal Deposit Insurance Corporation		2019	
3. Committee or Subcommittee		3b. GSA Committee No.	
FDIC Systemic Resolution Advisory Committee		76855	
4. Is this New During Fiscal Year?	5. Current Charter	6. Expected Renewal Date	7. Expected Term Date
No	04/26/2019	04/26/2021	
8a. Was Terminated During Fiscal Year?	8b. Specific Termination Authority	8c. Actual Term Date	
No			
9. Agency Recommendation for Next Fiscal Year	10a. Legislation Req to Terminate?	10b. Legislation Pending?	
Continue	No	Not Applicable	
11. Establishment Authority	Agency Authority		
12. Specific Establishment Authority	13. Effective Date	14. Committee Type	14c. Presidential?
April 26, 2011, Board Resolution	04/26/2011	Continuing	No
15. Description of Committee National Policy Issue Advisory Board			
16a. Total Number of Reports	No Reports for this Fiscal Year		
17a. Open Meetings and Dates	17b. Closed Meetings and Dates	17c. Partially Closed Meetings and Dates	17d. Total Meetings and Dates
No Meetings			

	Current FY	Next FY
18a(1). Personnel Pmts to Non-Federal Members	\$0.00	\$0.00
18a(2). Personnel Pmts to Federal Members	\$0.00	\$0.00
18a(3). Personnel Pmts to Federal Staff	\$0.00	\$0.00
18a(4). Personnel Pmts to Non-Member Consultants	\$0.00	\$0.00
18b(1). Travel and Per Diem to Non-Federal Members	\$0.00	\$0.00
18b(2). Travel and Per Diem to Federal Members	\$0.00	\$0.00
18b(3). Travel and Per Diem to Federal Staff	\$0.00	\$0.00
18b(4). Travel and Per Diem to Non-member Consultants	\$0.00	\$0.00
18c. Other(rents,user charges, graphics, printing, mail, etc.)	\$0.00	\$0.00
18d. Total	\$0.00	\$0.00

20a. How does the Committee accomplish its purpose?

The Advisory Committee will provide advice and comments on a broad range of issues regarding the resolution of systemically important financial companies ("covered companies") pursuant to the Dodd-Frank Wall Street Reform and Consumer Protection Act. Issues to be discussed by the Committee include the effects on financial stability and economic conditions resulting from a covered company's failure, the effects on markets and stakeholders of a covered company, market understanding of the structures and tools available to the FDIC to facilitate an orderly resolution of a covered company, the application of such tools to nonbank financial entities, international coordination of planning and preparation for the resolution of internationally active covered companies, and harmonization of resolution regimes across international boundaries. The Committee, as appropriate, may offer advice and recommendations after it reviews the various issues under consideration.

20b. How does the Committee balance its membership?

Members will effectively represent the varied and diverse interests affected by the issues to be considered. Given the complexities associated with the structure of covered companies, the FDIC will seek to ensure that representatives of industries and sectors most likely to be impacted by, or play a role in, the resolution of covered companies participate in the Committee's activities. Toward that end, members of the Committee may include financial market participants and professionals with relevant experience managing large, complex firms, investors, bankruptcy professionals, representatives from the audit, accounting, credit rating, and legal professions, as well as academic and other relevant experts.

20c. How frequent and relevant are the Committee Meetings?

Estimated Number of Meetings per Year - 1.

20d. Why can't the advice or information this committee provides be obtained elsewhere?

The Advisory Committee will be utilized to gather information and promote highly technical, specialized and focused discussions about the FDIC's resolution policy development and a variety of current and emerging issues that could affect the resolution of covered companies. This information will help the FDIC to identify and prioritize issues and develop effective strategies and policies in implementing its systemic resolution authority.

20e. Why is it necessary to close and/or partially closed committee meetings?

N/A

21. Remarks

Designated Federal Officer

Arthur J. Murton Director, Office of Complex Financial Institutions and DFO

Committee Members	Start	End	Occupation	Member Designation
Admanti, Anat	05/19/2011	05/01/2019	Professor of Finance and Economics, Graduate School of Business, Stanford University	Representative Member
Bair, Sheila	08/18/2018	05/01/2019	Former Chairman, Federal Deposit Insurance Corporation	Representative Member
Bodson, Michael	05/19/2011	05/01/2019	Depository Trust & Clearing Corporation, President and Chief Executive Officer	Representative Member
Bowsher, Charles	05/19/2011	05/01/2019	Former Comptroller General of the United States	Representative Member
Chapman, Shelly	07/26/2016	05/01/2019	United States Bankruptcy Judge, Southern District of New York	Regular Government Employee (RGE) Member
Cohen, H.	05/19/2011	05/01/2019	Sullivan & Cromwell, LLP, Senior Chairman and Partner	Representative Member
Donaldson, William	05/19/2011	05/01/2019	Chairman, Donald Enterprises	Representative Member
Fisher, Peter	05/19/2011	05/01/2019	Senior Fellow, Center for Global Business and Government, Tuck School of Business	Representative Member
Guillot, Janine	05/19/2011	05/01/2019	Director of Capital Markets Policy & Outreach, Sustainability Accounting Standards Board	Representative Member
Herring, Richard	05/19/2011	05/01/2019	Professor of Finance, The Wharton School, University of Pennsylvania	Representative Member
Jackson, Thomas	08/02/2013	05/01/2019	Distinguished University Professor and President Emeritus, Simon Graduate School of Business	Representative Member
Johnson, Simon	05/19/2011	05/01/2019	Ronald A. Kurtz Professor of Entrepreneurship, Massachusetts Institute of Technology, Sloan School of Management	Representative Member
Kohn, Donald	05/19/2011	05/01/2019	Robert S. Kerr Senior Fellow, Economic Studies Program, Brookings Institute	Representative Member
Peterson, Douglas	05/07/2012	05/01/2019	President and CEO, McGraw Hill Financial	Representative Member
Reed, John	05/19/2011	05/01/2019	Former Chairman and CEO of Citigroup and Former Chairman, Corporation of Massachusetts Institute of Technology Former CEO and President, Federal Reserve Bank of Minneapolis and	Representative Member
Stern, Gary	05/19/2011	05/01/2019	Chairman of the Board of Directors, National Council on Economic Education	Representative Member

Number of Committee Members Listed: 16

Narrative Description

The Advisory Committee supports the FDIC through its advice and commentary on a broad range of issues regarding the resolution of systemically important financial institutions pursuant to the Dodd-Frank Act. The Advisory Committee is also intended to

facilitate discussion on how the FDIC's systemic resolution authority, and its implementation, may impact regulated entities and other stakeholders potentially affected by the resolution process. The FDIC continues to refine its planning in order to facilitate the effective resolution of covered financial companies under the Dodd-Frank Act, should that ever be necessary. In undertaking these efforts, it is particularly important that the FDIC understands the interests and concerns of, and receives input from, a wide spectrum of market participants, professionals, and other stakeholders about the interaction of these planning and regulatory efforts with the financial market and financial companies.

What are the most significant program outcomes associated with this committee?

Checked if Applies

- | | |
|---|-------------------------------------|
| Improvements to health or safety | <input type="checkbox"/> |
| Trust in government | <input checked="" type="checkbox"/> |
| Major policy changes | <input checked="" type="checkbox"/> |
| Advance in scientific research | <input type="checkbox"/> |
| Effective grant making | <input type="checkbox"/> |
| Improved service delivery | <input checked="" type="checkbox"/> |
| Increased customer satisfaction | <input checked="" type="checkbox"/> |
| Implementation of laws or regulatory requirements | <input checked="" type="checkbox"/> |
| Other | <input checked="" type="checkbox"/> |

Outcome Comments

The FDIC, with the Federal Reserve, has provided feedback to companies regarding the type of information that would be useful to include within the public sections of the living wills to improve the transparency of those submissions and that would demonstrate the work the firms are doing to improve resolvability.

What are the cost savings associated with this committee?

Checked if Applies

- | | |
|----------------------------|-------------------------------------|
| None | <input type="checkbox"/> |
| Unable to Determine | <input checked="" type="checkbox"/> |
| Under \$100,000 | <input type="checkbox"/> |
| \$100,000 - \$500,000 | <input type="checkbox"/> |
| \$500,001 - \$1,000,000 | <input type="checkbox"/> |
| \$1,000,001 - \$5,000,000 | <input type="checkbox"/> |
| \$5,000,001 - \$10,000,000 | <input type="checkbox"/> |
| Over \$10,000,000 | <input type="checkbox"/> |
| Cost Savings Other | <input type="checkbox"/> |

Cost Savings Comments

n/a

What is the approximate Number of recommendations produced by this committee for the life of the committee?

0

Number of Recommendations Comments

No formal recommendations were conveyed by the Committee to the FDIC at its meetings from 2011 – 2016. However, one Committee member at the 2014 meeting made a presentation regarding the transparency of the public portions of the living wills filed under Title I. As a follow-up to that presentation, the FDIC worked with the Federal Reserve to improve the public portions of the living wills. The results of that effort were reported to the Committee at its 2016 meeting. Additionally, the Committee provides valuable feedback on the FDIC's key strategic planning activities for the resolution of systemically important financial institutions (SIFIs). Committee members regularly discuss the FDIC's progress in implementing the living wills process, developing resolution capabilities and FDIC engagements internationally relating to resolution planning. Other issues discussed include proposals to amend the Bankruptcy Code for easier resolution of SIFIs, the issuance of guarantees and funding of bridge financial companies and their subsidiaries, repayment of the Orderly Liquidation Fund, and the need to ensure continuity of operations during the orderly resolution process, as well as matters of governance, valuation, possible disparate treatment of creditors, post-resolution exit strategies, accounting, claims management and changes in rating agency treatment of bank holding company ratings. Committee members discuss the treatment of the U.S. operations of foreign institutions, development of credible resolution plans, evaluation of living wills following their submission by financial institutions, the necessity to reduce complexity of legal structures of SIFIs, regulatory efforts to make the industry improve resolvability by establishing a new ISDA contract protocol and by establishing a requirement for total loss-absorbing capacity that would include a debt component for the absorption of losses and recapitalization once an institution's equity is depleted, and the interaction between the FDIC's Title I responsibility for reviewing living wills and its Title II liquidation authority. With regard to the FDIC's efforts to coordinate an international resolution strategy, Committee members discussed the FDIC's strategy for supporting a global resolution process and entering into bilateral agreements and memoranda of understanding with foreign regulators and suggested the need for an institution framework (such as a treaty). The Committee also discusses the European Union's progress with respect to its resolution processes and the establishment of its Single Resolution Board.

What is the approximate Percentage of these recommendations that have been or will be Fully implemented by the agency?

0%

% of Recommendations Fully Implemented Comments

Not Applicable

What is the approximate Percentage of these recommendations that have been or will be Partially implemented by the agency?

0%

% of Recommendations Partially Implemented Comments

Not Applicable

Does the agency provide the committee with feedback regarding actions taken to implement recommendations or advice offered?

Yes ☒ No ☐ Not Applicable ☐

Agency Feedback Comments

At each Committee meeting, FDIC staff provides an update to the Committee members on actions taken since the last Committee meeting, particularly on issues raised by the Committee.

What other actions has the agency taken as a result of the committee's advice or recommendation?

Checked if Applies

Reorganized Priorities	<input type="checkbox"/>
Reallocated resources	<input type="checkbox"/>
Issued new regulation	<input type="checkbox"/>
Proposed legislation	<input type="checkbox"/>
Approved grants or other payments	<input type="checkbox"/>
Other	<input type="checkbox"/>

Action Comments

n/a

Is the Committee engaged in the review of applications for grants?

No

Grant Review Comments

n/a

How is access provided to the information for the Committee's documentation?

Checked if Applies

Contact DFO	<input type="checkbox"/>
Online Agency Web Site	<input checked="" type="checkbox"/>
Online Committee Web Site	<input type="checkbox"/>
Online GSA FACA Web Site	<input checked="" type="checkbox"/>
Publications	<input type="checkbox"/>
Other	<input type="checkbox"/>

Access Comments

Access to Committee information may be obtained from the CMO and is also available in the FDIC Public Information Center.